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Evaluation

Annual report on evaluation in UNDP in 2006*

Summary

The 2006 annual report on evaluation covers the period from March 2006 to February 2007 and highlights initiatives taken in UNDP and its associated funds and programmes to strengthen the evaluation function in line with the evaluation policy that was approved in June 2006. Key stakeholders of the organization and national partners have been engaged; guidelines and supporting mechanisms have been produced and disseminated; and the United Nations reform agenda has been supported through joint evaluations and action with the United Nations Evaluation Group.

The report presents information on the coverage and quality of independent and decentralized evaluations and their institutional arrangements. The report also highlights significant and systemic findings and recommendations drawn from independent evaluations conducted by the Evaluation Office and evaluations by the associated funds and programmes, identifying a number of organizational lessons. The report presents the proposed programme of work for the Evaluation Office.

Elements of a decision

The Executive Board may wish to (a) take note of the report; (b) commend UNDP on progress in implementing the evaluation policy; (c) request UNDP to address the systemic issues raised by evaluation; and (d) approve the evaluation agenda proposed by the Evaluation Office.

* The compilation of data required to provide the Executive Board with the most current data has delayed submission of the present document.

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I. The evaluation function

A. Introduction

1. Evaluation in UNDP provides decision makers and the public an objective assessment of the UNDP contribution to development results. The body of evaluations covers UNDP programmes and operations, including its policies, strategies, advocacy, advisory services, knowledge networks and partnerships. Three main types of evaluations contribute to the evidence base in UNDP: independent evaluations conducted by the Evaluation Office; decentralized evaluations commissioned by programme units, including country offices, regional bureaux and policy bureaux; and evaluations conducted or commissioned by the associated funds and programmes. The key principles underpinning these evaluations are national ownership, human development and human rights, coordination and alignment in the United Nations system, and managing for results.

2. In line with the UNDP evaluation policy approved by the Executive Board at its annual session in 2006, a number of initiatives have been taken to transform the evaluation function. The priorities have been: to engage key stakeholders of the organization and national partners in implementing the policy; to produce and disseminate guidelines, directives and supporting mechanisms for commissioning, conducting and using evaluations; and to support the United Nations reform agenda, particularly by participating in and, in some instances, leading a number of initiatives under the United Nations Evaluation Group (UNEG).

3. Chapter I of the present report presents the progress made in the areas described above during the reporting period. Chapter II highlights key findings and lessons learned from independent evaluations and evaluations commissioned by the associated funds and programmes, and chapter III presents the programme of work for the Evaluation Office for 2007-2008.

B. Implementation of the UNDP evaluation policy

4. In August 2006, the Administrator issued a directive to all resident representatives outlining the key implications of the policy. The directive drew attention to the importance of national ownership, compliance requirements and the use of evaluation for improving UNDP effectiveness.

Engaging stakeholders

5. Between October 2006 and February 2007, a total of 360 people were brought together through five regional workshops. The participants represented 117 country offices and 87 national governments, members of the Executive Board, other United Nations organizations, headquarters bureaux and units, professional evaluation associations, development institutions and academia. The workshops addressed the implementation of the policy in the context of evaluation at regional and national levels. It was found that inadequate engagement of national stakeholders in the evaluation process had hindered the optimal use of evaluations at the country level. National ownership was identified as the critical link between improving the relevance and use of evaluation in UNDP. The poor timing of evaluations, either through inappropriate planning or through delays in the evaluation process, and the weak dissemination of evaluation findings, the lack of translation to local languages, lengthy reports, the use of United Nations terminology and the poor quality of evaluation – had all hindered the use of evaluation.

Developing guidelines and directives

6. The operational guidelines and quality criteria for the planning, commissioning and use of evaluation were developed as part of the *UNDP User Guide on Programming for Results*. They contribute to the integration of evaluation requirements in the UNDP programming cycle. To

standardize the conduct of evaluation, operational guidelines were also developed for independent evaluations. These guidelines sought to clarify procedures, quality criteria and roles and responsibilities. The development of these operational guidelines will be complemented by the *Handbook on Monitoring and Evaluation*, currently being updated by the Evaluation Office. The handbook will provide the tools, techniques and references needed to respond to the guiding principles in evaluation and to support UNDP staff, evaluators and national partners in enhancing their ability to plan, design and conduct evaluations.

Using evaluations and preparing management response

7. There has been an organizational transformation regarding the use of evaluation for accountability, informed decision-making and organizational learning. Senior management regularly discuss issues relating to evaluation, including the evaluation agenda, systemic findings from evaluations, oversight and evaluation, and follow-up to evaluation. There has also been an organization-wide commitment to draw lessons from independent evaluations in the formulation of the cumulative multi-year funding framework (MYFF) report and the forthcoming UNDP strategic plan.

8. The management response system at the corporate level has been institutionalized, as demonstrated by the systematic preparation of management responses to all independent evaluations. Evaluations presented to the Executive Board are accompanied by management responses. At the decentralized level, the institutionalization of the system requires more concerted efforts in 2007. The associated funds and programmes have also been actively engaged in addressing the mechanisms for enhancing the use of evaluations and are coordinating their efforts with the Evaluation Office in finalizing operational mechanisms to institute the management response system.

Developing support mechanisms

9. To support management accountability for evaluation, the online information management system, the Evaluation Resource Centre (ERC), maintained by the Evaluation Office, was revamped to provide timely data on evaluation planning, management response and follow-up. The associated funds and programmes are working with the Evaluation Office to adopt the ERC to meet their requirements for planning and accountability.

10. To facilitate the public disclosure of all UNDP evaluations, ERC has been made publicly accessible. The ERC serves as the primary UNDP tool for knowledge management in evaluation. To date, it contains more than 600 evaluation reports and 150 terms of reference.

11. The Evaluation Network (EvalNet) is another tool for knowledge sharing in UNDP; in early 2007 it had 1,150 members (an increase of 24 per cent over last year) from UNDP and other United Nations organizations. Developing the potential of EvalNet as a dynamic tool will be a priority for the Evaluation Office in 2007.

Enhancing quality

12. To strengthen the quality and relevance of independent evaluations, the Evaluation Office establishes, for each evaluation, an external expert panel to comment on the terms of reference, methodology and draft report. The engagement with stakeholders during the process of evaluation has also been strengthened. To support the quality of decentralized evaluation, the Evaluation Office has continued to provide advisory services on a request basis. A more rigorous quality assurance system based on UNEG standards for evaluation and evaluation policy principles is under development.

C. United Nations reform and evaluation

13. The year 2006 witnessed a number of efforts directed towards United Nations system coordination and global partnerships in evaluation. In its role as chair of the UNEG, the UNDP Evaluation Office pursued a rigorous agenda for advancing coherence and innovation.

14. UNDP led the work within UNEG for developing approaches to and the conduct of joint evaluations, notably in a partnership with the Government of South Africa to evaluate the contribution of the total United Nations system to the country's development. To support the ongoing work to develop guiding principles and frameworks for the United Nations Development Assistance Framework (UNDAF), UNDP co-led the assessment of dimensions for evaluating the UNDAF and provided inputs to update the guidelines on the Common Country Assessment (CCA)/UNDAF and to redefine roles and responsibilities for the evaluation function in the framework of the United Nations reform process.

15. UNDP co-led the UNEG task force on evaluation and oversight. A UNEG position paper was drafted, highlighting the distinctive role of evaluation in the development of a culture of learning and change, the requirements to conduct evaluation collaboratively and openly and the need for public access to all evaluations.

16. Through its participation in the UNEG task force on capacity development, UNDP contributed to the development of competency profiles for United Nations evaluators and to pilot a training programme to develop the required competencies. A continuing agenda item for United Nations organizations is raising the standards and promoting quality assurance functions for evaluation in each programme, office and organization of the United Nations system. Following a pilot assessment of the UNDP evaluation function and that of the United Nations Children's Fund (UNICEF) by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) Network on Evaluation, lessons learned were used to develop a standard framework for assessing the evaluation functions of United Nations organizations. A joint UNEG/DAC task force on peer review of evaluations was established, and UNDP continued to be an active member of the task force.

17. Several initiatives have been started to enhance coherence in decentralized evaluations. The Regional Service Centre in Bratislava established a joint UNICEF-UNDP work plan to strengthen regional cooperation in evaluation in January 2006. Since then, discussions took place on joint response to regional monitoring and evaluation needs, presentations were made on the United Nations approach to evaluation, and the regional evaluation support was extended from Bratislava at the regional meeting of UNICEF deputy representatives in Geneva.

18. An area of urgency in the United Nations reform agenda is the independent system-wide evaluation of the eight One United Nations country pilots, covering both the first phase of organizing the United Nations system to deliver as one and followed by the subsequent implementation phase with a strong focus on impact pertaining to country priorities. UNEG is gearing up collectively to take a lead role in the evaluation of the pilot countries. Besides the conduct of evaluations, UNEG is also actively involved in supporting the development of an independent United Nations system-wide evaluation mechanism to evaluate system-wide goals.

D. Independent evaluation

19. The Evaluation Office is responsible for ensuring that key practice areas and programmes are covered by its independent evaluations to support decision-making, learning and accountability. In the reporting period, the Evaluation Office conducted the following 15 independent evaluations which represented a 100 per cent increase from 2005: the evaluation of UNDP assistance to

conflict-affected countries, the evaluation of the national human development report system, the joint assessment of the United Nations Industrial Development Organization (UNIDO)-UNDP cooperation agreement, the joint evaluation of the Global Environment Facility (GEF) activity cycle and modalities, the joint evaluation on the impact of the international response to the Indian Ocean tsunami, three evaluations of the regional cooperation frameworks (RCFs) in the Asia-Pacific, Africa and Latin America regions, respectively, and seven Assessments of Development Results (ADRs) or country-level evaluations in Bhutan, Colombia, Lao People's Democratic Republic, Jordan, Montenegro, Nicaragua, and Serbia.

20. The above-mentioned evaluations addressed areas of strategic importance for UNDP. They include crisis prevention and recovery, which is a UNDP core practice area with activities in conflict-affected countries constituting nearly 40 per cent of its global expenditure in 2005; advocacy for human development through the national human development reports, which are the organization's most visible instrument for advocating sustainable human development around the world; partnership and United Nations reform through the assessment of the UNIDO and UNDP partnership; and energy and environment, which is another UNDP core practice area, and one supported by a strong partnership with GEF.

21. There was an overall increase in the number of the evaluations of regional and country programmes, as represented by the RCF evaluations and ADRs. Three RCF evaluations were undertaken to inform the formulation of the new regional programmes. In response to demand for increasing evaluation coverage at the country level in UNDP, the number of ADRs increased from 4 in 2005 to 7 in 2006. The evaluations of the RCFs and ADRs altogether covered programmes with a total budget of $748 million in 2006, marking a significant increase from $162 million in 2005. The $748 million represents just over 7 per cent of the total programmatic expenditures in UNDP, which amounted to $10.5 billion between 2004 and 2007.

Joint evaluation

22. During the reporting period, the Evaluation Office completed three joint evaluations. The joint assessment of the UNIDO-UNDP cooperation agreement, as required by a partnership agreement, looked at the role of UNDP in providing a platform for making knowledge of non-resident United Nations specialized agencies accessible to the member countries. The joint evaluation of GEF project cycles and modalities for the first time brought together 10 GEF executing agencies, and the GEF council has already authorized the implementation of key recommendations from the evaluation.

23. More than 40 humanitarian and development cooperation agencies came together to evaluate the effectiveness, efficiency and impact of the international response to the Indian Ocean tsunami. The Evaluation Office was a member of the core management group and also co-led one of the five thematic studies, focusing on the impact of the international response to the tsunami on local and national capacities. The synthesis report of the joint evaluation, presented to the Economic and Social Council in July 2006, provided a broader system-wide analysis of the international response to the tsunami than any single agency evaluation had.

Methodology and approach

24. In conducting independent evaluations, the Evaluation Office sought to standardize procedures and approaches. One of the examples, as per Executive Board decision 2005/35, was the systematic application of a meta-evaluation approach in the RCF evaluations. However, the lack of adequate outcome evaluations of the regional programmes commissioned by the regional bureaux constrained the ability of the Evaluation Office to do so. To complete the evaluations, the evaluators had to rely more heavily on project documents while also collecting primary data via

interviews. This experience showed that the success of meta-analysis requires quality coverage in decentralized evaluations as building blocks for independent evaluation.

25. The Evaluation Office institutionalized stakeholder workshops at the beginning and end of the ADR process to enhance the efficiency of the process as well as national ownership and the utility of the ADRs. In particular, the workshops towards the end of the process proved to be immensely helpful in ensuring that the recommendations from the evaluation would inform the new Country Programme Document (CPD).

26. Through its participation in the joint evaluation of the international response to the Indian Ocean tsunami, the Evaluation Office benefited from the use of new and innovative methodologies and tools, including claimholder surveys in two countries, which involved more than 2,000 households. As part of quality assurance, the evaluation team applied innovative means, including peer reviews and entry and exit stakeholder workshops.

Use of independent evaluation

27. The evidence from the newly completed CPDs confirms the positive impact of rigorous consultative processes and timeliness of the ADRs on the overall use of the ADR findings and recommendations. For example, the Yemen country programme document takes into full consideration the ADR recommendations regarding governance through improved institutional capacity at centralized and decentralized levels. It also acknowledges the need for improving aid coordination.

28. At the corporate level, UNDP management demonstrated its commitment to the effective use of independent evaluations by ensuring the submission of management responses together with evaluation reports to the Executive Board. Significantly, management further committed to the preparation of a management response to the joint evaluation on the impact of international response to the tsunami on local and national capacities, although the report was not presented to the UNDP Executive Board. With regards to tracking, the systematic use of the ERC as a management tool has been limited. There is a need for management to clarify roles and responsibilities for implementing committed actions in a timely manner, and also for updating information in the ERC tracking system to support the organization's results management and corporate reporting.

E. Decentralized evaluations

29. The evaluation policy requires all programme units – country offices, regional bureaux and practice and policy bureaux – to develop an evaluation plan for the programming cycle, commission the evaluations of their responsible programmes to external evaluators as planned, and prepare management responses to all evaluations to ensure the systematic use of evaluation. Programme units commission two main types of decentralized evaluations: outcome and project evaluations. During the reporting period, programme units commissioned 191 evaluations.[1] Of these, 29 were outcome evaluations, including three outcome evaluations commissioned by the Regional Bureau for Asia and the Pacific. The regional bureaux completed the total of seven evaluations of their respective projects and programmes (see list in annex 1, available on the Executive Board website). Table 1 indicates the evaluation coverage at the country level during the reporting period.

[1] To improve the method of reporting in the Annual Report on Evaluation, the Evaluation Office used the data in the ERC, which is based on the actual number of evaluation reports uploaded by responsible units as completed evaluations. Due to this new data collection method, this year's report does not show trends over time.

Table 1. Evaluations commissioned by country offices in 2006

		Global (142)	Regions (No. of countries)					LDCs* (50)
			Africa (45)	Asia and the Pacific (25)	Arab States (19)	Europe and the CIS (27)	Latin America and the Caribbean (26)	
1	Total number of all evaluations	184	38	42	12	45	47	56
2	Of which project evaluations	150	29	38	10	33	40	47
3	Of which outcome evaluations	26	5	3	1	12	5	4
4	Or which other evaluations	8	4	1	1	0	2	5
5	% of *outcome* evaluations in total evaluations	14%	13%	7%	8%	27%	11%	7%
6	% of countries with at least one evaluation of *any type*	48%	36%	56%	32%	70%	50%	44%
7	% of countries with at least one *outcome* evaluation	13%	9%	12%	5%	26%	15%	8%
8	Average no. of evaluations per country	1.30	0.84	1.68	0.68	1.67	1.81	1.12
9	Average no. of evaluations per country that conducted at least one evaluation of *any type*	2.71	2.38	3.00	2.00	2.37	3.62	2.55

* Least developed countries, as defined by the United Nations.

30. At the country level, UNDP had 142 units[2] which plan and commission external evaluations. During the reporting period, country offices completed 184 evaluations. They were dominated by 150 project evaluations. Only 26 outcome evaluations, representing 14 per cent of total evaluations, were completed during the reporting year.

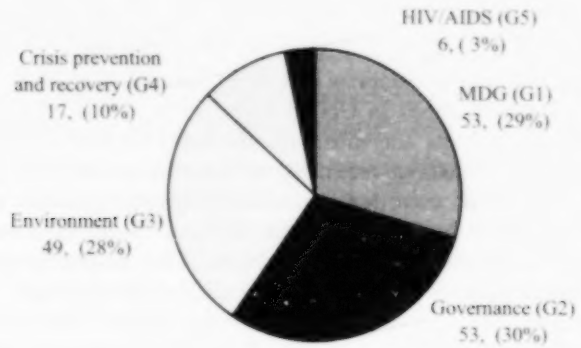
31. Only 48 per cent of country offices conducted at least one evaluation of any type. Europe and the Commonwealth of Independent States (CIS) had the highest percentage (70) of countries with any evaluation, and the Arab States had the lowest percentage (32). In terms of outcome evaluations, Europe and the CIS also had the highest proportion, representing 27 per cent of total evaluations that were completed in the region. Asia and the Pacific had the smallest proportion of outcome evaluations, representing only 7 per cent of the total evaluations conducted in the region. Europe and the CIS had the highest percentage (26) of countries in the region with at least one outcome evaluation in 2006. The Arab States had the lowest percentage, 5 per cent.

32. There was also noticeable variation in terms of the depth of evaluation, which ranged from 0.68 evaluations in Africa to 1.81 evaluations in Latin America and the Caribbean. Among those with at least one evaluation at any time, the average number ranged from 2.00 in the Arab States to 3.62 evaluations in Latin America and the Caribbean. This shows a high concentration of evaluations among 50 per cent of the countries in Latin America and the Caribbean.

[2] These units will be referred to as 'countries' in this report.

33. Forty-four per cent of the offices in 50 LDCs completed any type of evaluation. Further, the percentage of outcome evaluations in total evaluations, 7 per cent, represents only half of the global figure of 14 per cent. These patterns suggest that the country offices in LDCs are giving less emphasis to the conduct of outcome evaluations. The average number of evaluations per country was also found to be lower than the global figure.

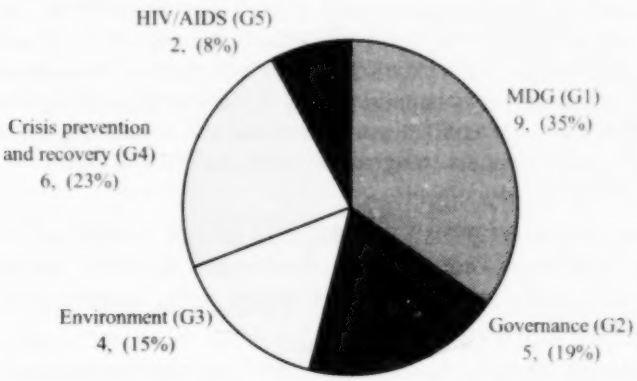
Figure 1. Thematic coverage by 178* evaluations of any type at the country level in 2006



* This excludes 6 cross-thematic evaluations.

34. The thematic coverage of evaluations of any type continues to be commensurate with resource allocations in UNDP. More than 50 per cent of decentralized evaluations focused on MYFF goals 1 and 2, "achieving the MDGs and reducing human poverty" and "fostering democratic governance", which represent the two largest resource allocations (see figure 1). In the case of outcome evaluations, goal 1 had the highest proportion, followed by goal 4 'crisis prevention and recovery' (see figure 2). In both cases, goal 5, "responding to HIV/AIDS" had the lowest proportion.

Figure 2. Thematic coverage by 26 outcome evaluation at the country level in 2006



Evaluation plan

35. All 23 country offices that are submitting a new CPD to the June 2006 Board session met the requirement of preparing an evaluation plan. To date, 74 per cent of 142 country offices entered an active and up-to-date evaluation plan in the ERC. The evaluation plans available in the ERC seem to be comprehensive and compliant. However, as the plan lacks information on the evaluation planning process, it is difficult to assess the degree of partner engagement in the development of the plan. Prevailing evidence also indicates that national participation in the strategic selection of evaluation is generally weak, and this affects the use of evaluation by government and other stakeholders.

Quality of evaluation

36. The Evaluation Office used selected criteria in the UNEG Norms and Standards to conduct a preliminary review of 16 outcome evaluations that were completed in 2006. The review indicated that the quality of outcome evaluations in UNDP was uneven. Some of evaluations limited their focus to project activities or outputs and did not sufficiently analyse outcome-level results. The objectives or questions of the evaluation were often unclear. There was also, generally, the absence of a rigorous analysis of UNDP contributions to development changes at the national level. Furthermore, the review pointed out that often the allocated financial resources and time were inadequate in terms of the scope and design of evaluation. Also, unclear programme objectives and overly ambitious outcome definitions constrained the conduct of evaluations.

Management response

37. Since the launch of the tracking system in 2006, 10 decentralized evaluations have so far been accompanied by a management response in the ERC. This represents less than 20 per cent of all evaluations that were completed since the launch. As the system is relatively new, it is too early to analyse the impact of the management response system on the overall use of evaluations in UNDP country offices. Although the new system is broadly welcomed at the country level, its success requires the organization to address incentives in improving the culture of use.

F. Evaluations by the associated funds and programmes

38. In conformity with requirements for mandatory evaluation, the United Nations Capital Development Fund (UNCDF) commissioned four evaluations in 2006, including three evaluations of its local development programmes in Mozambique, Nepal and Niger, and a mid-term evaluation to assess progress in developing a sustainable pro-poor financial sector in Sierra Leone.

39. The United Nations Development Fund for Women (UNIFEM) commenced a strategic evaluation of the UNIFEM MYFF, 2004-2007, with the objective of using the results in the formulation of its strategic plan, 2008-2011. It also began two outcome and programme evaluations, i.e., the programme to support women's leadership in reconstructing Afghanistan and the programme on women for conflict prevention and peace-building in South Caucasus. Other units of UNIFEM completed six programme and outcome evaluations and one programme evaluation.

40. United Nations Volunteers (UNV) completed 14 project evaluations, including 2 evaluations conducted by the Evaluation Unit on UNV involvement in urban development and a special voluntary fund and 12 undertaken by decentralized units, namely UNV headquarters-based geographical and practice sections.

41. Within UNV, a significant achievement in 2006 was the development of a methodology in collaboration with other partners, including the Evaluation Office, to assess the contribution of volunteerism to development. Apart from producing information on the contribution of volunteerism, the methodology identifies ways of strengthening the role of volunteerism in

development planning. The methodology, tested by UNV and other international volunteer organizations in 12 countries, was used to capture results from UNV involvement in the tsunami response in Banda Aceh, Indonesia.

G. Institutional arrangements for evaluation

Independent evaluation

42. To reinforce the independence of the evaluation function in UNDP, the Evaluation Office now reports directly to the Executive Board through the Administrator and submits evaluation reports without any internal clearance. The Evaluation Office continued to work closely with the Office of Audit and Performance Review and other oversight mechanisms, as the evaluation function co-exists and mutually supports their functions. The Evaluation Office also periodically provided UNDP management with briefs on issues related to evaluations, including follow-up to evaluations, compliance and other emerging issues to support informed decision-making.

43. The work of the Evaluation Office in 2006 was supported by the core budget, amounting to $3.7 million, and the delivery rate was 96 per cent. Another major source of funding came from a partnership agreement with the United Kingdom Department for International Development in the amount of $677,000. Commensurate with the increased number of evaluations and increased functions in quality assurance and enhancement, the number of professional and general service posts in the Evaluation Office was increased from 15 to 20 in 2006. This includes one professional position for the UNEG secretariat.

Decentralized evaluation

44. The capacity within the offices to manage the evaluation function, including the effective implementation of policy requirements, was generally inadequate. Almost all offices had evaluation as a focal point responsibility, but these focal points often lacked a clear mandate and the requisite financial and human resources. Only 14 per cent of the country offices have a full-time, dedicated monitoring and evaluation professional. Nine country offices had a unit dedicated to planning, monitoring and evaluation and/or results-management-related activities. Following regional workshops on evaluation policy, a number of country offices, including those of Angola, Sri Lanka and Sudan, were recruiting monitoring and evaluation professionals. A guidance note was developed on the roles and responsibilities of an evaluation officer to support the streamlining of the monitoring and evaluation function in country offices.

45. Evaluation resource requirements were often determined on an ad hoc basis, and the amounts allocated were generally insufficient for quality evaluations. However, some country offices adopted innovative solutions to finance outcome and other evaluations, including earmarked project funds, central resource pools and the use of general management funds for developing specific monitoring and evaluation projects. The evaluation policy stipulates that country offices define resource requirements consistently and identify sources of funding while developing the evaluation plan. Whenever possible, opportunities should be sought to cost-share evaluations with government, other United Nations organizations and donors.

Capacity development for UNDP staff

46. The Evaluation Office continued to provide guidance to other units on evaluation planning, the formulation of evaluation terms of reference, management of the commissioning process, development of management responses and follow-up. The Evaluation Office delivered sessions on evaluation periodically for more than 200 UNDP staff members across the organization. An online training course on evaluation is being developed to strengthen the culture of evaluation in the organization, particularly the use of evaluative evidence in the programming cycle. The

development of the training programme will benefit from ongoing work with UNEG in this area to ensure full alignment with the United Nations system-wide initiative.

Regional capacity

47. There is a need to enhance capacity at the regional level to support country offices in the region. Currently, the Regional Service Centre in the Europe and CIS region is the only one with a dedicated Evaluation Adviser, who has helped the establishment of a network of country office evaluation focal points in the Europe and CIS region for sharing knowledge, experience and expertise among the members. The first workshop for the network members was successfully held in Bucharest in March 2007. Other regional bureaux, particularly in the Arab States, demonstrated concrete commitment in establishing such a post.

Associated funds and programmes

48. UNCDF has one evaluation adviser, but no core budget. All evaluations are now funded directly from the projects to be evaluated. In 2006, given the staff reductions necessitated by the 2005 restructuring, UNCDF decided to pilot an outsourced arrangement for the conduct of mandatory evaluations. The outsourced arrangement would enable UNCDF to undertake a number of country-level evaluations almost simultaneously and to use a common evaluation framework and methodology. Such an approach is expected to optimize the relationship between efficiency and effectiveness in the management and conduct of UNCDF evaluations. A contract was signed with a selected company in January 2007 and a total of 13 project evaluations are to be undertaken in two phases. This arrangement will be subject to careful assessment in early 2008.

49. Currently, the evaluation unit of UNIFEM at Headquarters has one staff member who manages the evaluations commissioned by the unit, coordinates the formulation of the annual evaluation plan, and provides guidance to other UNIFEM units in planning and commissioning their evaluations. To strengthen its evaluation function, UNIFEM has created a full-time evaluation adviser position, which will be filled in 2007. UNIFEM plans to provide for a central fund for evaluation, beginning with its strategic plan, 2008-2011, in addition to the evaluation budgets built into core and non-core funded programmes.

50. The UNV Evaluation Unit operates with three professional and one general service staff. The budget allocated to UNV corporate evaluation activities amounted to $108,090 in 2006; the expenditure to date was $101,250.

H. National evaluation capacity development

51. UNDP supports national capacity development within the framework established by United Nations General Assembly resolution A/RES/59/250 of December 2004 and the UNDP evaluation policy, which states that evaluation should be conducted in such a manner so as to assist governments in the development of national evaluation capacities. In the conduct of evaluation, the Evaluation Office seeks to engage a large number of institutions or consultants from the South while also drawing heavily from the pool of experts in the countries in which evaluations are conducted. The country-led evaluation in South Africa represents a model in which UNEG will collaborate with national institutions with responsibility for evaluation.

52. The Evaluation Office has supported evaluation associations to enhance the evaluation institutional capacity in partner countries. As part of the Fourth African Evaluation Association (AfrEA) conference, it supported a pre-conference workshop for leaders of the African national evaluation associations with the aim of advancing evaluation in the African development agenda through the exchange of innovative ideas. UNIFEM supported the participation of the Africa Gender and Development Evaluators Network at the AfrEA conference.

53. Participants at the regional workshops on the evaluation policy emphasized the need for the development of national evaluation capacity and the national ownership of evaluation. It was recommended that, where evaluation is nascent, UNDP should play an advocacy role, providing a good basis for strengthening government demand for evaluation and for increasing the public interest in evaluation. Where there is demand and appropriate internal capacity, UNDP should support national capacity development in evaluation through the programmatic work of country offices.

54. UNDP support in evaluation capacity development at the country level has concentrated on providing governmental and non-governmental agencies with training and technical assistance to monitor poverty trends, conduct monitoring and evaluation for their projects and programmes, improve national statistical services and formulate monitoring and evaluation systems. In Viet Nam, UNDP supported national monitoring and evaluation capacity development with the national programme for poverty reduction in ethnic minority areas. UNDP in Brazil supported the national effort to build an evaluation culture inside the Ministry of Education through the provision of training and technical assistance. In Indonesia and Somalia, UNDP developed projects to enhance the capacity of national counterparts in project design, management and monitoring, including the certification of government officers who had been trained in project management methodology. Others contributed to evaluation capacity development by building partnerships with other players in this area such as national universities, research centres, evaluation networks and civil society organizations. In Niger, for instance, UNDP, in collaboration with UNICEF, continued to support the Niger evaluation association, resulting in its leadership role as a host of the recent AfrEA conference.

II. Key findings and lessons learned from the evaluations

55. This chapter presents a synthesis of key findings and lessons derived from the evaluations conducted by the Evaluation Office and from those conducted by the associated funds and programmes. The findings are intended to present evidence on UNDP performance, and also to provide a basis for highlighting key issues to be addressed at the corporate and programmatic levels.

A. UNDP role and comparative advantage

56. The comparative advantage for UNDP lies in its convening power. UNDP is perceived as a trusted development partner, an impartial arbiter and facilitator. Its mandate as a coordinator for the United Nations and its ability to engage in sensitive areas allows the organization to congregate various partners. The evaluations showed that when UNDP capitalizes on its comparative advantage, the organization succeeds in strategically positioning itself while maximizing the impact of its contributions to development effectiveness.

57. The ability of UNDP to play effective roles often hinges on the level of support provided by the partner government. Being a resident agency, UNDP generally has a strategic advantage over others and enjoys a favourable relationship with the government. The majority of ADRs highlighted the ability of UNDP to capitalize on the positive relationship with the government and engage in sensitive areas such as legal-sector reform and the placing of human development and human rights at the centre of the national development agenda.

Aid effectiveness

58. Given the increasing emphasis on the Paris Declaration on Aid Effectiveness, the UNDP role as a coordinator of the United Nations system at the country level has been perceived as highly

valuable and effective. Evaluations revealed that UNDP in many countries facilitated greater donor coordination and harmonization with government priorities, resulting in improved aid effectiveness and better targeting of official development assistance (ODA). Examples of where this happened include Bhutan, the Lao People's Democratic Republic and Nicaragua. In all cases, UNDP co-chaired the round-table meetings with government and managed consultations among government and development partners on sensitive issues and development themes.

Mediator

59. The perceived neutrality of the resident coordinator/resident representative has led to the assumption, by UNDP, of an important role as a mediator between donors and government when problems arise. In the Lao People's Democratic Republic, the role played by the UNDP through the resident coordinator/resident representative's function was critical in government-donor negotiations to find acceptable management and monitoring systems for the unexploded ordnance and the national HIV/AIDS programmes, which restored donor confidence and ensured that these programmes received adequate funding.

Facilitator

60. In Colombia, UNDP demonstrated considerable leadership in its coordinating role to facilitate the G-24 London-Cartagena forum. Through this venue, the Government of Colombia, together with the international community and civil society organizations, created a development agenda prioritizing issues that are critical for the country's development and peace processes. The forum provided a unique platform for dialogue among various social actors, allowing, among other things, a more fluent interaction between civil society organizations, the national government and international cooperation agencies.

Fund manager

61. Trust and respect among the spectrum of national stakeholders often provided the avenue for UNDP to help establish and manage multi-donor trust funds for a whole range of purposes: paying salaries for the police in Afghanistan and the border protection service in Tajikistan, supporting the reintegration of returnees and internally displaced persons in Somalia and, of course, electoral administrations in a number of countries.

Responsiveness

62. UNDP operates in countries with a wide range of economic and political conditions in a rapidly changing world. The ADRs in Montenegro and Serbia questioned whether UNDP would have a role to play in these countries in the near future. Given the growing number of countries that are likely to achieve European Union membership in the CIS region, the UNDP programme countries in the region could achieve net contributor country status within a reasonably short period of time. Although it is necessary to rationalize the ongoing presence and role of UNDP in such situations, operations in the region are expensive relative to those in other regions of the world, where scarce UNDP resources and talent may be better deployed. The evaluations highlighted a need for UNDP to analyse critically the changing environment and determine the organization's future role. UNDP should also develop a formal policy in these countries to tailor its country programmes to meeting new demands and to determine the nature of its relationship to host governments, the European Union and other participating donors.

Funds and programmes

63. UNV evaluations in Latin America demonstrated the importance of the United Nations "brand" and multi-faceted structure in fostering wider cooperation between developing countries and regions, particularly in the area of volunteerism. Partners of UNIFEM acknowledged the added

value of collaborating with UNIFEM to open spaces for dialogue with policymakers in the government. The comparative advantage of UNIFEM as the recognized lead agency in advancing women's rights and gender equality lends credibility and visibility to its programmes.

B. Resource limitations and the ability of UNDP to remain strategic and focused

64. The evaluations revealed that limitations in core resources and the lack of predictability of resources sometimes led UNDP to becoming unfocused, inhibiting its substantive contributions to development effectiveness within the core mandate. The evidence from the evaluation of UNDP assistance to conflict-affected countries and its six country studies suggests that the organization's increasing dependence on non-core, earmarked resources for its activities in conflict-affected countries has resulted in growing concern with the needs of various donors and resource-mobilization endeavours. This led UNDP to play an increasing role in filling gaps that other organizations were unable or unwilling to fill. The ADR Colombia revealed similar issues. Resident in a middle-income country, UNDP in Colombia receives limited core funding. In an effort to sustain the operation of the office and meet emerging challenges in the country, UNDP generated additional operational income through development support services, services that were largely administrative and that included activities such as procurement and the management of payrolls.

65. The evaluations concluded that the UNDP role of filling gaps was generally valuable because it ensured that critical functions of an administrative nature were managed for the benefit of the international community. However, they also highlighted the downside. First, it is often difficult to measure the direct contributions of administrative support activities to development results within the core mandate of UNDP. This reactive approach is likely to divert UNDP from its core development mandate, potentially undermining the ability of the organization to be relevant, effective and strategic within its mandated areas. In addition, UNDP may be spreading its efforts too thinly over too many projects and activities, consequently reducing the overall effectiveness of its interventions and constraining its core capacity for substantive development work. Moreover, in the case of Colombia, the evaluation indicated that over-concentration on development support services poses a risk to the reputation of UNDP and raises questions about its business model. To ensure substantive contributions to development effectiveness in its core areas, UNDP needs to formulate a strategy to reduce its dependency on non-core resources and enhance its ability to provide substantive support.

C. Internal capacity constraints of UNDP

66. The evidence from the evaluation of the UNDP contribution to conflict-affected countries demonstrated shortcomings in the organization's ability to respond to emerging demands on the ground. Due to the increasing volume of administrative support provided by UNDP, more staff members are engaged in operational and procurement functions as opposed to technical and advisory services in core areas of development. In conflict situations, UNDP needs enhanced substantive capacity within the mandate of the organization, particularly in governance, recovery and reintegration of war-affected populations, justice and security reform, poverty reduction and sustainable livelihoods. In immediate post-conflict scenarios, UNDP should enhance surge capacity to respond promptly to emerging needs.

67. Evaluations pointed to the need for updating the UNDP staffing policy to recruit staff with specialized skills in addition to generalist managers. Doing so would allow the organization to play a more substantive role. The evaluations highlighted the increasingly pressing need for the organization to address problems in the recruitment and, most importantly, the retention of experienced and highly qualified staff by providing sufficient incentives and staff development opportunities. The high turnover rate of international staff, as a result of ad hoc hiring on short-term

contracts, is not only costly to the organization but also minimizes the effectiveness of UNDP support.

D. Engagement with local and national capacities

68. Evaluations revealed that UNDP often faces difficulty in effectively engaging local and national capacities. Particularly in crises, local capacity is key to saving lives and improving people's resilience to crisis, as local groups are best informed about the local situation and the first ones to respond to crisis. However, the organization pays insufficient attention to existing local knowledge, actors in civil society and gender issues in shaping its interventions and policy responses in the post-crisis context.

69. The evaluations recommended that UNDP make more concerted efforts to strengthen partnerships not only with the government but also with knowledgeable local intermediaries with power to influence decisions. For this, the evaluations stressed the need for UNDP to develop an appropriate strategy with local actors before engaging in any form of partnership.

70. It was found that the ability of UNDP to identify local capacities and means to include actors meaningfully in planning and decision-making was generally weak. The joint evaluation of the impact of the tsunami response on local and national capacities attributed the inappropriate and ineffective response to limited local knowledge and language skills among international development workers, including UNDP staff. There is also the heavy reliance on short-term consultants who lack an institutional memory and understanding of local contexts and actors. In working with local actors, UNDP often lacks a proper capacity assessment of these partners, particularly, local governments and community-based organizations. In some cases, the local implementing partners are given the responsibility of managing a project without sufficient human resources or accounting systems in place. Evaluations recommended that where shortfalls in local capacity exist, UNDP should systematically incorporate capacity-building activities for partners in planning and project management.

71. The capacity-building of local actors is critical for the sustainability of interventions and results. UNDP projects seldom have exit strategies that incorporate capacity-building mechanisms at the project design and implementation stages. For instance, the evaluations concluded that project management or implementation units (PMUs/PIUs) do not promote ownership or long-term sustainability. They risk crowding out the existing local capacity by creating an artificial entity that focuses on time-bound project delivery. In the case of the capacity development programme supported by UNDP Montenegro, the PMU resided in the UNDP offices and was staffed by UNDP resources. Consequently, the programme was perceived to be more a UNDP programme than a government programme. Similarly, the ADR in the Laos People's Democratic Republic showed that advisers were used in some cases to substitute for local capacity in the organization in which they were working. Instead of supporting a counterpart, the adviser undertook the work. Such a scenario should be avoided as it is unlikely to lead to a sustainable institutional capacity. Evaluations recommended that UNDP focus on building broad-based national ownership through sustainable institutional development and strategic partnerships with existing capacities.

72. In contrast, the ADR in Serbia presented a positive example in which UNDP worked effectively with civil society and contributed to the stabilization of peace in southern Serbia. As part of a United Nations inter-agency mission in 2001, UNDP responded to a crisis resulting from ethnic conflict in southern Serbia. To overcome poor governance, considered to be one of the root causes of conflict, UNDP used innovative approaches to draw local governmental and non-governmental actors into decision-making. This case demonstrates that stability and peace can be nurtured by responding quickly, developing and implementing sound programmes, effectively mobilizing

resources and building local partnerships. Furthermore, UNDP can play a significant role in bringing change and innovation to local institutions. For this to take place, the evaluations indicated that UNDP requires adequate in-house capacity through appropriate staffing, a proper partnership strategy, thorough capacity assessments, and capacity-building mechanisms to meaningfully engage national and local capacities in UNDP interventions.

73. Similarly, the UNV and UNIFEM evaluations and reviews presented sustained results yielded as a result of effective partnerships with local actors. Volunteerism has been a driving force, and, again, the 2006 series of UNV evaluations has shown that UNV volunteers have been very effective actors in linking the grassroots-level community work with higher-level United Nations development and policymaking. Examples from UNIFEM evaluations include successful contributions made through advocacy by women's groups and NGOs for the passage of legislation on sexual offenses in Kenya, on domestic violence in India, and for the adoption of amendments to the law on land that ensures rural women's rights to own and use land plots in Kyrgyzstan.

E. Issues and challenges in programming

74. The evaluations reviewed for this report identified a number of issues and challenges pertaining to programming in UNDP and its associated funds and programmes.

Fragmentation

75. A common criticism contained in evaluations is the weak intersectoral and inter-project convergence and coordination. The linkages among projects, programmes and practice areas are often absent. UNDP projects are designed and operate as stand-alone interventions based on the project-level logic rather than around development outcomes and an overall strategic framework. The RCF evaluation in Africa revealed a weak linkage between the regional programme and country-level programmes managed by country offices in the region.

Weak upstream and downstream linkages

76. Ensuring development effectiveness requires both appropriate upstream and downstream interventions. The effectiveness of UNDP depends critically on its ability to leverage relatively small-scale interventions into sustained and scaled-up efforts that go beyond small pilot projects and influence policies and strategies at national levels. When UNDP capitalizes on opportunities to establish clear and robust policy-practice linkages, its effectiveness is enhanced. However, the evaluations continued to suggest that upstream and downstream work in UNDP was, in many cases, disconnected.

Poor results orientation

77. Many projects and programmes were developed without a well-defined results framework. They often lacked concrete baselines or measures of performance as well as other indicators needed to measure and assess performance of the overall projects or programme. Almost all evaluations identified the lack of monitoring and evaluation data as a severely limiting factor in evaluations. In addition, in the absence of internalized practices for monitoring and evaluation, there was no evidence-based feedback mechanism or knowledge management system to allow UNDP to learn from experience and improve its performance. These examples confirm that results-based management has not been appropriately internalized, and the potential for strategic management using results-based management has been underexploited.

78. Evaluations indicated that UNDP continued to focus on procedures and processes as opposed to development results. Among partners, UNDP was often perceived as an opaque and bureaucratic organization. While it is important to prioritize transparency and accountability, UNDP must seek a

fine balance between flexibility and strict adherence to UNDP rules and procedures. Delayed payments were one of many chronic administrative problems in UNDP country offices. This hampered the organization's effectiveness. Lack of clarity in required documentation for the purpose of taking administrative action also caused frustration among national counterparts. The ADR in Bhutan made a recommendation to UNDP headquarters to focus on the simplification of bureaucratic procedures to enhance overall efficiency.

III. Programme of work for the Evaluation Office for 2007-2008

79. In developing the proposed agenda, the Evaluation Office considered corporate priorities evidenced from investment patterns, outcomes reported and policy statements of the Administrator and Associate Administrator; emerging organizational practices and development priorities; issues emerging from past evaluations; programme areas not covered by recent evaluations; and consultations at the working level with headquarters units.

80. The programme of work 2007-2008 is as follows:

A. Ongoing evaluations

(a) South-South cooperation;
(b) Results-based management in UNDP;
(c) Energy and environment;
(d) The role of UNDP in the net contributor countries (Bahrain, Kuwait, Libyan Arab Jamahiriya, Saudi Arabia and United Arab Emirates) of the Arab Region.

B. Proposed evaluations

(a) Global Cooperation Framework;
(b) Capacity development for democratic governance;
(c) 'One United Nations' pilots (joint evaluation with UNEG);
(d) The Paris Declaration (joint evaluation with partner countries and DAC);
(e) GEF Small Grants Programme (joint evaluation with the GEF Evaluation Office);
(f) The UN's Contribution to South Africa (joint evaluation with Government of South Africa and UNEG);
(g) ADRs in seven countries.

C. Enhancement of the evaluation function

(a) Update guidance, including the *Handbook on Monitoring and Evaluation*;
(b) Enhance knowledge management, including EvalNet;
(c) Develop quality assurance, including standards for decentralized evaluations;
(d) Strengthen UNEG collaboration, including hosting the UNEG secretariat.